Shortage of 25 and 50 paise coins in Karnataka

*339. SHRI K.B. KRISHNA MURTHY: Will the Minister of FINANCE be pleased to state:

(a) whether 25 and 50 paise coins are withdrawn from circulation in Karnataka;

(b) if not, what are the reasons for the shortage of these lower denomination coins in Karnataka;

(c) whether Government are aware that in Karnataka, public have been given other goods in return for the balance amount; and

(d) the steps proposed to be taken to ensure proper supply of these coins in Karnataka if they are not withdrawn?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) No, Sir.

(b) There is no reported shortage of coins of the denominations of 25 and 50 paise in Karnataka.

(c) and (d) A study undertaken by Birla Institute of Technology and Science, Pilani at the request of RBI has observed that traders are reluctant to return the balance in small coins as they are gaining other goods in return instead of the change for the balance amount. RBI has informed all public authorities, *e.g.* banks, post-offices etc. that 25 paise and 50 paise coins continue to be legal tender and should be issued/accepted. Publicity is also being given to this by the RBI from time to time.

Gail's project in Kerala

*340. SHRI A. VIJAYARAGHAVAN: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether GAIL has signed a memorandum of cooperation during the year 2004 for setting up a petrochemical project at Kochi, Kerala;

(b) if so, the present status of the above project;

(c) the details of fiscal concessions sought from the State Government of Kerala and those actually granted for the above projects;

(d) the details of the expected completion of the project; and

(e) the details of feedstock for the project and the source of fuel for the project?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI MURLI DEORA): (a) and (b) Yes, Sir. The Detailed Feasibility Report of the Project has been completed.